



March 16, 2018

Surface Transportation Board  
Attention: Pedro Ramirez  
Office of Economics (OE)  
395 E Street, S.W., Suite 1170  
Washington, DC 20423-0001

Dear Mr. Ramirez,

On December 22, 2017, the United States Tax Cuts and Jobs Act ("U.S. Tax Reform") was enacted, which includes a broad range of tax reform proposals affecting businesses, including corporate tax rates, business deductions, and international tax provisions. Many of these provisions significantly differ from current U.S. tax law, resulting in pervasive financial reporting implications. Kansas City Southern recognized a non-cash income tax benefit for the year ended December 31, 2017 primarily as a result of revaluing net deferred tax liabilities at the new corporate income tax rate in accordance with accounting principles generally accepted in the United States ("US GAAP"), as found in Note 12 in the Form 10-K filed with the U.S. Securities and Exchange Commission on January 26, 2018.

Sincerely,

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers, LLP